

Fill in this information to identify the case:Debtor Name Memento Mori, LLCUnited States Bankruptcy Court for the: Eastern District of North CarolinaCase number: 18-04661-5-DMW

Official Form 426

Periodic Report Regarding Value, Operations, and Profitability of Entities in Which the Debtor's Estate Holds a Substantial or Controlling Interest

12/17

This is the *Periodic Report* as of 09/30/2018 on the value, operations, and profitability of those entities in which a Debtor holds, or two or more Debtors collectively hold, a substantial or controlling interest (a "Controlled Non-Debtor Entity"), as required by Bankruptcy Rule 2015.3. For purposes of this form, "Debtor" shall include the estate of such Debtor.

Memento Mori, LLC holds a substantial or controlling interest in the following entities:

Name of Controlled Non-Debtor Entity	Interest of the Debtor	Tab #
Mt. Charleston Landlord, LLC	26.58%	1

This *Periodic Report* contains separate reports (*Entity Reports*) on the value, operations, and profitability of each Controlled Non-Debtor Entity.

Each *Entity Report* consists of five exhibits.

Exhibit A contains the most recently available: balance sheet, statement of income (*loss*), statement of cash flows, and a statement of changes in shareholders' or partners' equity (*deficit*) for the period covered by the *Entity Report*, along with summarized footnotes.

Exhibit B describes the Controlled Non-Debtor Entity's business operations.

Exhibit C describes claims between the Controlled Non-Debtor Entity and any other Controlled Non-Debtor Entity.

Exhibit D describes how federal, state or local taxes, and any tax attributes, refunds, or other benefits, have been allocated between or among the Controlled Non-Debtor Entity and any Debtor or any other Controlled Non-Debtor Entity and includes a copy of each tax sharing or tax allocation agreement to which the Controlled Non-Debtor Entity is a party with any other Controlled Non-Debtor Entity.

Exhibit E describes any payment, by the Controlled Non-Debtor Entity, of any claims, administrative expenses or professional fees that have been or could be asserted against any Debtor, or the incurrence of any obligation to make such payments, together with the reason for the entity's payment thereof or incurrence of any obligation with respect thereto.

This *Periodic Report* must be signed by a representative of the trustee or debtor in possession.

Debtor Name Memento Mori, LLCCase number 18-04661-5-DMW

The undersigned, having reviewed the *Entity Reports* for each Controlled Non-Debtor Entity, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that to the best of his or her knowledge, (i) this *Periodic Report* and the attached *Entity Reports* are complete, accurate, and truthful to the best of his or her knowledge, and (ii) the Debtor did not cause the creation of any entity with actual deliberate intent to evade the requirements of Bankruptcy Rule 2015.3

For non-individual
Debtors:

x



Signature of Authorized Individual

Colin Crossman, Manager

Printed name of Authorized Individual

Date 10/16/2018
MM / DD / YYYY

For individual Debtors:

x

Signature of Debtor 1

Printed name of Debtor 1

Date _____
MM / DD / YYYY

x

Signature of Debtor 2

Printed name of Debtor 2

Date _____
MM / DD / YYYY

Debtor Name Memento Mori, LLC

Case number 18-04661-5-DMW

Exhibit A: Financial Statements for Mt. Charleston Landlord, LLC

Debtor Name Memento Mori, LLCCase number 18-04661-5-DMW**Exhibit A-1: Balance Sheet for Mt. Charleston Landlord, LLC as of September 30, 2018**

The attached balance sheet covers the most recent 3-month period of the current fiscal year (Q3). The subject entity was formed on 3/13/2018, so there is no balance sheet for 2017. This information was pulled from Quickbooks.

Mt Charleston Landlord		7:39 PM
Balance Sheet		10/14/2018
As of September 30, 2018		Accrual Basis
		Sep 30, 18
ASSETS		
Current Assets		
Checking/Savings		
100001 · Bank of America		-79.80
Total Checking/Savings		-79.80
Total Current Assets		-79.80
Other Assets		
180000 · Acquisition and Rehab		
Acquisition Costs		4,817,041.67
Broker Fee		194,350.00
Legal Fees		43,599.89
Loan Document Preparation Fee		1,500.00
Loan Origination Fee		158,850.00
Survey		7,370.00
Tax Verification Fee		24,480.00
Title Examination		3,013.25
Title Insurance		7,613.05
Total 180000 · Acquisition and Rehab		5,257,817.86
Total Other Assets		5,257,817.86
TOTAL ASSETS		5,257,738.06
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200000 · Accounts Payable		90,714.75
Total Accounts Payable		90,714.75
Other Current Liabilities		
247000 · Rental Deposits		64,989.94
248000 · Tenant Security Deposits Held		1,000.00
270999 · Accrued Interest Payable		22,300.00
Total Other Current Liabilities		88,289.94
Total Current Liabilities		179,004.69
Long Term Liabilities		
270000 · Loans from Others		1,228,409.17
280000 · Mortgages		3,530,000.00
Total Long Term Liabilities		4,758,409.17
Total Liabilities		4,937,413.86
Equity		
311000 · Common		
300100 · Memento Mori, LLC		100.00
311002 · Boutique NV, LLC		276.25
Total 311000 · Common		376.25
312000 · Series A		
312001 · Chris Klutch		175,000.00
312002 · TriHelix Investments		100,000.00
312003 · Jeff Lyons		75,000.00
312004 · Jason Lyons		25,000.00
312005 · David Gardner		250.00
312006 · MHK Holdings II, LLC		250.00
Total 312000 · Series A		375,500.00
390000 · Membership Units		
390001 · Memento Mori, LLC		2,000.00
390002 · Boutique NV, LLC		5,525.00
390003 · Chris Klutch		875.00
390004 · TriHelix Investments		600.00
390005 · Jeff Lyons		375.00
390006 · Jason Lyons		125.00
390007 · MHK Holdings 2, LLC		250.00
390008 · David Gardner		250.00
399999 · Membership Units Negator		-10,000.00
Total 390000 · Membership Units		0.00
Net Income		-55,552.05
Total Equity		320,324.20
TOTAL LIABILITIES & EQUITY		5,257,738.06

Debtor Name Memento Mori, LLCCase number 18-04661-5-DMW**Exhibit A-2: Statement of Income (Loss) for Mt. Charleston Landlord, LLC for period ending September 30, 2018**

This statement covers 1/1/18 to 9/30/18 (end of the most recent quarter). The company was founded on 3/13/2018, so there is no 2017 statement.

Mt Charleston Landlord					7:39 PM	
Profit & Loss					10/14/2018	
January through September 2018					Accrual Basis	
					Jan - Sep 18	
Ordinary Income/Expense						
Income						
489000 · Lease Income					10,833.33	
Total Income					10,833.33	
Expense						
610000 · General & Administrative						
610200 · Dues and Subscriptions					75.59	
610700 · Computer and Internet Expenses					101.55	
610000 · General & Administrative - Other					24.12	
Total 610000 · General & Administrative					201.26	
640000 · Miscellaneous Expense					700.00	
650000 · Finance & Insurance						
651000 · Finance						
651100 · Bank Service Charges					179.80	
651200 · Interest Expense					64,600.00	
Total 651000 · Finance					64,779.80	
Total 650000 · Finance & Insurance					64,779.80	
680000 · Utilities						
680200 · Communications					497.34	
Total 680000 · Utilities					497.34	
690000 · Taxes, Licenses & Reg Fees						
690002 · Property					206.98	
Total 690000 · Taxes, Licenses & Reg Fees					206.98	
Total Expense					66,385.38	
Net Ordinary Income					-55,552.05	
Net Income					-55,552.05	

Debtor Name Memento Mori, LLCCase number 18-04661-5-DMW**Exhibit A-3: Statement of Cash Flows for Mt. Charleston Landlord, LLC for period ending September 30, 2018**

This statement covers 1/1/18 to 9/30/18 (end of the most recent quarter). The company was founded on 3/13/2018, so there is no 2017 statement.

Mt Charleston Landlord						7:41 PM	
Statement of Cash Flows						10/14/2018	
January through September 2018							
						Jan - Sep 18	
OPERATING ACTIVITIES							
					Net Income	-55,552.05	
					Adjustments to reconcile Net Income		
					to net cash provided by operations:		
				200000	· Accounts Payable	90,714.75	
				247000	· Rental Deposits	64,989.94	
				248000	· Tenant Security Deposits Held	1,000.00	
				270999	· Accrued Interest Payable	22,300.00	
					Net cash provided by Operating Activities	123,452.64	
INVESTING ACTIVITIES							
				180000	· Acquisition and Rehab:Acquisition Costs	-4,817,041.67	
				180000	· Acquisition and Rehab:Broker Fee	-194,350.00	
				180000	· Acquisition and Rehab:Legal Fees	-43,599.89	
				180000	· Acquisition and Rehab:Loan Document Preparation Fee	-1,500.00	
				180000	· Acquisition and Rehab:Loan Origination Fee	-158,850.00	
				180000	· Acquisition and Rehab:Survey	-7,370.00	
				180000	· Acquisition and Rehab:Tax Verification Fee	-24,480.00	
				180000	· Acquisition and Rehab:Title Examination	-3,013.25	
				180000	· Acquisition and Rehab:Title Insurance	-7,613.05	
					Net cash provided by Investing Activities	-5,257,817.86	
FINANCING ACTIVITIES							
				270000	· Loans from Others	1,228,409.17	
				280000	· Mortgages	3,530,000.00	
				311000	· Common:300100 · Memento Mori, LLC	100.00	
				311000	· Common:311002 · Boutique NV, LLC	276.25	
				312000	· Series A:312001 · Chris Klutch	175,000.00	
				312000	· Series A:312002 · TriHelix Investments	100,000.00	
				312000	· Series A:312003 · Jeff Lyons	75,000.00	
				312000	· Series A:312004 · Jason Lyons	25,000.00	
				312000	· Series A:312005 · David Gardner	250.00	
				312000	· Series A:312006 · MHK Holdings II, LLC	250.00	
				390000	· Membership Units:390001 · Memento Mori, LLC	2,000.00	
				390000	· Membership Units:390002 · Boutique NV, LLC	5,525.00	
				390000	· Membership Units:390003 · Chris Klutch	875.00	
				390000	· Membership Units:390004 · TriHelix Investments	600.00	
				390000	· Membership Units:390005 · Jeff Lyons	375.00	
				390000	· Membership Units:390006 · Jason Lyons	125.00	
				390000	· Membership Units:390007 · MHK Holdings 2, LLC	250.00	
				390000	· Membership Units:390008 · David Gardner	250.00	
				390000	· Membership Units:399999 · Membership Units Negator	-10,000.00	
					Net cash provided by Financing Activities	5,134,285.42	
					Net cash increase for period	-79.80	
					Cash at end of period	-79.80	

Debtor Name Memento Mori, LLCCase number 18-04661-5-DMW**Exhibit A-4: Statement of Changes in Shareholders'/Partners' Equity (*Deficit*) for Mt. Charleston Landlord, LLC for period ending September 30, 2018**

[Provide a statement of changes in shareholders'/partners equity (*deficit*) for the following periods:

(i) For the initial report:

a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and

b. the prior fiscal year.

(ii) For subsequent reports, since the closing date of the last report.

Describe the source of this information.]

Since the company was not in existence prior to 3/13/2018, there are no changes for the prior fiscal year. In the period between 1/1/2018 and 9/30/2018, the ownership underwent the following changes:

Mt Charleston Landlord authorized to issue 10,000 units.

Memento Mori, LLC (debtor) issued 2,000 units

Boutique NV, LLC issued 5,525 units

Currently, the remaining 2,475 remain unissued, however they are pledged for conversion therefore:

In exchange for converting debt to equity:

Chris Klutch: 875

Jeff Lyons: 375

Jason Lyons: 125

TriHelix: 500

In exchange for issuing debt:

TriHelix: 100

David Gardner: 250

MHK Holdings 2: 250

This issuance is only contingent on the parties accepting the operating agreement.

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Exhibit B: Description of Operations for Mt. Charleston Landlord, LLC

[Describe the nature and extent of the Debtor's interest in the Controlled Non-Debtor Entity.

Describe the business conducted and intended to be conducted by the Controlled Non-Debtor Entity, focusing on the entity's dominant business segments.

Describe the source of this information.]

Mt Charleston Landlord, LLC is a real estate holding company to hold and lease the asset at 2755 Kyle Canyon Road, Mount Charleston, NV 89124 to the operator, Boutique NV, LLC. Debtor's interest is as an investor and does not actively participate in the operations.

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Exhibit C: Description of Intercompany Claims

[List and describe the Controlled Non-Debtor Entity's claims against any other Controlled Non-Debtor Entity, together with the basis for such claims and whether each claim is contingent, unliquidated or disputed.]

Describe the source of this information.]

None.

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Exhibit D: Allocation of Tax Liabilities and Assets

[Describe how income, losses, tax payments, tax refunds, or other tax attributes relating to federal, state, or local taxes have been allocated between or among the Controlled Non-Debtor Entity and one or more other Controlled Non-Debtor Entities.

Include a copy of each tax sharing or tax allocation agreement to which the entity is a party with any other Controlled Non-Debtor Entity.

Describe the source of this information.]

All allocations are done on a pro-rata basis based on percentage ownership, as outlined in the operating agreement.

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Exhibit E: Description of Controlled Non-Debtor Entity's payments of Administrative Expenses, or Professional Fees otherwise payable by a Debtor

[Describe any payment made, or obligations incurred (or claims purchased), by the Controlled Non-Debtor Entity in connection with any claims, administrative expenses, or professional fees that have been or could be asserted against any Debtor.

Describe the source of this information.]

None.